

Mapping the Risk Flood Map Modernization



**My home is mapped in a floodplain...
What do I do next?**

Insurance Options

If you own a building located in a high or moderate risk flood zone, protecting it from the damage and loss of flooding should be a priority. This pamphlet will help you to understand your flood risk and provide information you will need to make wise decisions about your safety and financial investments.

For many Americans, owning a home is our largest financial investment.

In 1993, and again in 2008, Midwesterners experienced first-hand the aggravation, pain and destruction of flooding as they watched their homes and livelihoods wash away. In 2005, Hurricane Katrina wrought disaster along the nation's Gulf Coast region and, again, citizens were not prepared financially or emotionally for the destruction.

Now is the time to secure those investments by learning ways to reduce damage and other financial losses due to flooding, which is this country's No. 1 natural hazard.

Is flood insurance necessary?

Flood insurance is made available through the National Flood Insurance Program (NFIP) to residents whose communities participate in the floodplain management program.

See Insurance Options, page 2

Reducing Risk At Home

There are many ways that homeowners can reduce the expense and losses associated with recurring flood damage.

Insurance is a first step, but here is a list of doable projects you can incorporate into your home upkeep list.

- Install sewer backflow valves
- Raise electrical system components
- Raise up or flood proof Furnaces and water heaters
- Anchor fuel tanks
- Waterproof exterior walls and doors to prevent damage during shallow flooding

Even a few inches of water can cause thousands of dollars in repair and restoration costs. A little bit of advance work could translate into savings when the water rises.

More advanced home retrofitting projects include elevating your home so that the lowest floor is above the base flood level; wet flood proofing to allow water to enter uninhabited portions of your home during a flood event; and, finally, dry flood proofing, which seals your home to prevent water from entering. ■

REFERENCE SOURCES

**Floods are the #1
natural disaster in
the United States.**

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Lenders that are regulated or insured by federal lending agencies will require homeowners to purchase flood insurance if their home lies within a high-risk floodplain.

However, if you have invested your hard-earned income in a home, purchasing flood insurance is a wise choice, even if it is not required. Flooding can occur anywhere.

Ways to reduce insurance costs

Grandfather Clause:

Lower rates are available for the life of your insurance policy if the policy is purchased prior to new map effective dates.

Community Rating Systems (CRS):

Insurance premium discounts from 5 percent to 45 percent are available to residents if their community participates in the CRS program, which requires a floodplain management plan that exceeds the National Flood Insurance Program's minimum standards. More details about CRS are available at www.fema.gov.

Ask for Higher Deductible:

Generally, the greater the risk of flooding, the higher the cost of insurance premiums will be. With this in mind, it is wise to ask your lender or insurance agent if a higher deductible will substantially reduce the cost of your insurance premium. ■

Changing the Maps

How do I prove my property is out of the floodplain?

Your flood insurance rate is based on the level of flood risk. New mapping information is the result of a Multi-Hazard Flood Map Modernization project initiated by FEMA in 2004. The nation's flood risk maps are being converted to a digital format to incorporate the best available flood risk data for use with the National Flood Insurance Program (NFIP).

Maps are available through two sources: You can request to see the maps through your county or local officials. FEMA sends each community copies of Flood Insurance Rate Maps. Your local floodplain manager may be able to direct you to the maps. The maps are also available online at <http://msc.fema.gov>.

Letter of Map Amendment Requirements

If you believe your property may be inadvertently shown in a Special Flood Hazard Area (SFHA), the area subject to inundation by the base (1-percent-annual-chance) flood, you may submit certain property and elevation information to FEMA for a formal determination of the property's location relative to the SFHA. Owners of structures (or unimproved parcels of land) built on natural ground (not raised above the base flood by the placement of fill) may request a Letter of Map Amendment.

Required Documentation:

1. Completed MT-EZ Application Including Elevation Data certified by a Registered Land Surveyor or Professional Engineer (http://www.fema.gov/plan/prevent/fhm/dl_mt-ez.shtm)
2. A copy of the subdivision plat map (with official stamp from the county recorder's office),

Or

A copy of the recorded property deed (with recordation data and stamp of the Recorder's Office), accompanied by a copy of a tax assessor's map or other suitable map showing the property's surveyed location with respect to local streets and watercourses

Application and supporting documentation should be mailed to:

LOMC Clearinghouse
6730 Santa Barbara Court
Elkridge, MD 21075
Attn: LOMC Manager

A determination will be issued within 30 to 60 days of receipt of all necessary materials.

For more information on obtaining Letters of Map Change for other structures including proposed structures and structures elevated by the placement of fill, please visit the following web site for forms and instructions: http://www.fema.gov/plan/prevent/fhm/dl_mt-1.shtm

LOMAs

A LOMA from FEMA removes federally mandated insurance requirements

A LOMA is a Letter of Map Amendment. This is a process homeowners can use to prove to their lenders and prospective buyers that their home or structure is not located within the high-risk flood area. If you believe your building may be mistakenly shown in a high risk area, you can submit the LOMA application, which will include specific property and elevation information about your home or structure (e.g., plat of survey, meets and bounds map). If approved by FEMA, you will receive a document indicating that your building is not located in a high-risk flood zone. Then the *federal* mandatory purchase requirement from lenders for flood insurance will no longer apply. Despite having a LOMA from FEMA, some lenders may still require flood insurance. However, flood insurance will be less costly with an approved LOMA.

Removing your property from the floodplain

Your flood insurance premium is based on your level of flood risk, which can be found on FEMA Flood Insurance Rate Maps (FIRMs). You first want to locate your property on the map and identify its corresponding flood zone.

Flood hazard maps are available through two sources:

1. The local community/county floodplain manager, or
2. Online at the FEMA Map Service Center (<http://msc.fema.gov>)

Questions regarding flood hazard maps or LOMAs may be directed to:

1. The LOMC Clearinghouse, 6730 Santa Barbara Court, Elkridge MD 21075
2. The FEMA Map Assistance Center at **1-877-FEMA MAP (1-877-336-2627)** or a Map Specialist at FEMAMapSpecialist@riskmapcds.com.

Other important information is available at:

1. Link to flood hazard mapping site for property owners:
http://www.fema.gov/plan/prevent/fhm/hm_main.shtm
2. Link to Letter of Map Change site:
http://www.fema.gov/plan/prevent/fhm/fmc_loma.shtm
3. Learn about your flood risk and insurance options:
<http://www.floodsmart.gov>

Floodplain Issue Update

July 26, 2010

Congressman Mark Schauer

800 West Ganson, Jackson, MI 49202

Phone: (517) 780-9075 - Toll-free: (877) 737-6407

www.schauer.house.gov



In response to the concerns of homeowners and realtors in Jackson County, my office has attended meetings since May to determine the facts associated with the publication of the new flood map. Based on those findings, I have submitted letters to FEMA requesting suspension of the new map. Additionally, I voted last week for H.R. 5114 to provide immediate relief to the families I serve. Included here you will find information on the legislation and resources on how to appeal your flood zone designation.

Background:

In 2004, the United States Congress directed FEMA to begin a new initiative called "map modernization," with the goal of updating and digitizing all the floodplain maps throughout the country. In Michigan, the FEMA remapping program is administered by the MDNRE (Michigan Department of Natural Resources and Environment) under a contract with FEMA.

Due to various challenges and limitations in the topographical data used by FEMA contractors to prepare the new maps, many of the properties shown within flood hazard zones may be above the Base Flood Elevation (BFE), and therefore should not be included in the flood hazard zones. For example, a property could be located on a hill overlooking a lake, river or drain, yet still be shown within a flood hazard zone. FEMA refers to these properties as "inadvertent inclusions. Since the new floodplain maps were approved and the appeal periods expired, these properties have been presumed to be flood hazards and must purchase flood insurance.

- On July 15, the House passed **H.R. 5114, Flood Insurance Reform Priorities Act of 2010**, which makes significant reforms to improve the National Flood Insurance Program (NFIP) and reauthorizes the program for 5 years. This legislation still needs to pass the U.S. Senate. Some major provisions:
 - Delays for five years the mandatory requirement of the purchase of flood insurance for those homeowners in a neighborhood newly classified as a flood zone.
 - Allows families to pay flood insurance premiums in installments.
 - Forces the Government Accountability Office (GAO) to research the program and look for ways to lower premiums for homeowners in low-risk states by looking at regionalization of the NFIP.
 - If a homeowner obtains a letter of map amendment during the 5-year period, FEMA shall reimburse the owner for any costs incurred in acquiring the letter.
 - Raises the maximum coverage limits for flood insurance policies. New coverage limits are:
 - \$335,000 (up from \$250,000) for residences
 - \$135,000 (up from \$100,000) for residential contents
 - \$670,000 (up from \$500,000) for non-residential properties

- To appeal your flood zone designation there are three procedures:
 - **Letter of Map Amendment (LOMA)**
 - If the applicant/insured believes that the requirement to purchase flood insurance was made in error and there is evidence that the building is not in the Special Flood Hazard Area (SFHA) on the effective Flood Insurance Rate Map (FIRM), the applicant/insured may apply for a Letter of Map Amendment (LOMA). A LOMA is a determination made by the Federal Emergency Management Agency (FEMA) for property and/or building as to whether it is located within the SFHA. If, after plotting the location on the FIRM, the FEMA examiner finds that the property and/or building is not shown in the SFHA, then the Determination will be "Out As Shown," rather than "Removed." The FEMA Out-As-Shown Determination will state that the property or building is correctly shown outside the SFHA and, therefore, the mandatory flood insurance requirement does not apply. An Out-As-Shown Determination does not require elevations.
 - **Letter of Map Revision (LOMR)**
 - A LOMR is an official revision to the currently effective FEMA map. It is used to change flood zones, floodplain and floodway delineations, flood elevations, and plan metric features. All requests for LOMRs must be made to FEMA through the chief executive officer of the community, since it is the community that must adopt any changes and revisions to the map. A LOMR is usually followed by a physical map revision.
 - **Physical Map Revision**
 - A physical map revision is an official republication of a map to effect changes to flood insurance zones, floodplain delineations, flood elevations, floodways, and plan metric features. The community's chief executive officer can submit scientific and technical data to FEMA to support the request for a map revision. The data will be analyzed, and the map will be revised if warranted.
- The Federal Emergency Management Agency (FEMA) announced on May 21, 2010, a revision in its Preferred Risk Policy (PRP) eligibility rules under the National Flood Insurance Program (NFIP). Currently, in order to be eligible for the PRP, the building must be designated outside of a Special Flood Hazard Area (SFHA) on the date of application and premium presentment, or the renewal effective date for existing PRP policyholders. An SFHA is a high risk flood area, meaning that there is a one-percent annual chance of flooding.

For policies effective on or after January 1, 2011, FEMA is extending PRP eligibility for 2 policy years following the effective date of the current Flood Insurance Rate Map (FIRM) for owners of buildings newly included in SFHAs. At the end of the extended eligibility period, policies on these buildings must be written as standard-rated policies.